

● Bonneville Quarries, Inc. ●

5/003/017

Lynn Kunzler
State of Utah
Division of Oil, Gas, and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

Aug. 6, 2004

RECEIVED

AUG 09 2004

DIV. OF OIL, GAS & MINING

Dear Lynn,

Accompanying are two letters for your information. One is a demand for payment of trespass fees from Alan Kunzler to me regarding the Green Beetle Private quarry portion, and the other is my response to his demand.

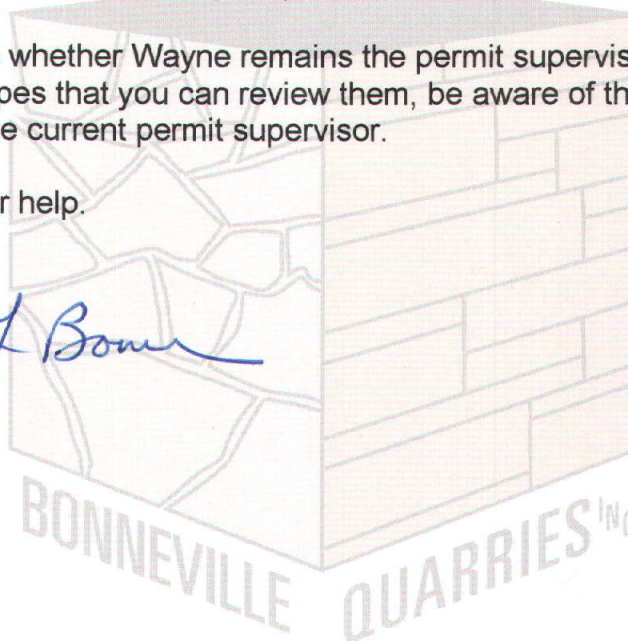
As I am not aware whether Wayne remains the permit supervisor, I have sent these to you in hopes that you can review them, be aware of their content, and forward them to the current permit supervisor.

Thank you for your help.

Sincerely,

William L Bown

William L Bown



Bonneville Quarries, Inc.

Alan C. Kunzler
Kunzler Ranch LLC
Park Valley, Utah 84329

Aug. 5, 2004

Dear Sir,

I am responding to a letter that I received from you on or about Aug. 5, 2004 which came to me certified, return receipt requested, and which deals with your demand from me for payment of trespass fees upon section 31 T 11N. R 15 W SLB&M.

Your request must stem from your perceptions about my operating a flagstone quarry on the subject property.

First of all, I must inform you that by virtue of the deeded mineral rights over, under, and upon the subject tract retained and held by the mineral owner, you have no claim to trespass fees of any kind as the surface owner. You need to study the law, or hire a good attorney and pay him to do it for you. The mineral owner has held legal title to said minerals for over five decades, and through many changes of ownership to the subject surface. This is not a case of a Federal mining claim encroaching upon private surface subsequent to the surface owner's receiving title to that surface. This is entirely different. In this case the present mineral owner by deed, precedes the current surface owners at the subject site by 40 years plus. If there is a perceived interloper here, it is certainly not the mineral owner. The mineral owner must be allowed to enjoy the full legal right to ingress and egress to, over, and upon the subject site for the purpose of exploring for, and removing said minerals without limitation. The surface owner cannot inhibit this pursuit in any legal fashion whatsoever.

I have secured through no small effort, all necessary permits and mining approvals, and have posted the required reclamation bond for the subject quarry. All legally required access has been granted, and so I will proceed with my Plan. You may be entitled to compensation for displaced feed upon those exact portions which have been disturbed through removal of surface plants and soils as a result of quarry excavation. The amount of compensation must be calculated by a certified estimator after an on-site examination for that purpose.

Bonneville Quarries, Inc.

If you persist in attempting to intimidate me (which is exactly what your erroneous bill is in reality), or in any other way, block my progress at the subject quarry, I will treat it as harassment, and will seek immediate legal relief. It would be in your best interest to drop what you are pursuing here before it gets real expensive for you. I just want to work. I am doing nothing illegal or unethical whatsoever. I am not harming you and yet you wish to harm me. Why can't you just leave me alone and let me get on with it. I don't begrudge you your legal entitlements and am mystified at your ongoing hateful demeanor with regard to mine. To me it is inconceivable. I don't believe that your problem here has much to do with my not approaching you about trespass. I don't think that it has much to do with surface disturbance either. You know as well as I that the subject site doesn't contain enough grass to feed one calf for one week in the spring of the year. You just plain old can't stand the thought of me up there quarrying. Well, you own the surface, but that's it. You may not agree with the law which guarantees all citizens their legal rights, not just livestock interests, but that is not my problem, it's yours. You need to learn the law and embrace it, or chance getting run over by it. You may be under the mistaken impression that you are somehow above the law. Keep harassing me and you'll find out just how beholden to that law you are.

Your tactics are making those who work with me and for me somewhat reticent to continue. If I can prove through sworn testimony or affidavit that your actions are the cause of my losing the services of those who would otherwise carry out the operation at the subject quarry as hired, which employment loss consequently results in lost revenues, and other permanent or irreparable market harm to me, you will be held accountable, make no mistake about it. If you boys are determined to push this, then by all means, have at it. It is clear to me that you have no interest in getting along. Your only interests seem to be attempting to bully others into surrendering their rights or in demanding money that you have no claim to. I have no wish to fight you, but I will not be intimidated or bullied, by you or anyone else. If you are dead set on receiving a legal education, I am quite prepared to provide it. The choice is yours.

Seriously,



William L Bown - President

Cc: Lynn Kunzler, Rec. Specialist, UDOGM

David Peters, Attorney at Law

Kunzler Ranch LLC

% Alan C. Kunzler
Park Valley, Utah 84329
435-452-1114

William L. Bown
Green Beetal Quarry
842 West 400 North
West Bountiful, Ut. 84087

August 4, 2004

Trespass fees for Green Beetal Quarry

Trespass fee for the year 1998 = \$5,000.00
Trespass fee for the year 1999 = \$5,000.00
Trespass fee for the year 2000 = \$5,000.00
Trespass fee for the year 2001 = \$5,000.00
Trespass fee for the year 2002 = \$5,000.00
Trespass fee for the year 2003 = \$5,000.00
Trespass fee for the year 2004 = \$5,000.00
TOTAL DUE ON RECEIPT \$35,000.00

Any unpaid balance over thirty days will be subject to an finance charge rate of 1% (12% annual percentage rate). Additionally any cost incurred by Kunzler Ranch LLC in collection of any over due balance will be included.

As you are aware the land Green Beetal Quarry located on in T. 11 N, R. 15 W, Sec 31 is in the name of Kay L. Kunzler, but it is in the control of Kunzler Ranch LLC. We realize that this is not the preferred way of working out a "trespass fee agreement", but we believe that it is your responsibility to procure a "trespass fee agreement" and you have had more that ample time (six years) to contact us to do so.

You may consider this a bill and a "trespass fee agreement" for the future. All future "trespass fee" will be due yearly on January 1 of that year for the amount of \$5,000.00. Any trespass in any given year, with out that years "trespass fees" being paid on time, will be subject to the above.

This agreement in no way releases you form the reclamation responsibility of the said Quarry site.

Make checks payable to Kunzler Ranch LLC.



Alan C. Kunzler
for Kunzler Ranch LLC